

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7727

BILL NUMBER: HB 1827

NOTE PREPARED: Jan 23, 2005

BILL AMENDED:

SUBJECT: Advanced Manufacturing Clusters.

FIRST AUTHOR: Rep. Austin

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: The bill requires the Office of Economic Development within the Indiana Economic Development Corporation (IEDC) to establish a program to provide grants, loans, and loan guarantees to members of consortia that encourage the growth of advance manufacturing clusters. It provides that the IEDC board must review and then approve or disapprove applications for grants, loans, and loan guarantees. It requires the Office to provide certain assistance and the bill appropriates \$1,000,000 to the IEDC from the state General Fund for these purposes.

Effective Date: July 1, 2005.

Explanation of State Expenditures: The bill requires the Office of Economic Development within Indiana Economic Development Corporation (IEDC) to establish and administer a program to encourage the growth of Advanced Manufacturing Economic Development Clusters. Under the bill, the Office would carry out this function by providing grants, loans, and loan guarantees to eligible consortiums of advanced manufacturing businesses, other businesses, nonprofit entities, and institutions of higher education. The bill appropriates \$1,000,000 from the state General Fund to the IEDC to carry out this program from July 1, 2005 to June 30, 2007.

The bill establishes the Business Assistance Fund consisting of appropriations, loan repayments, and donations, grants, and money received from other sources. The Fund is nonreverting and is to be administered by the Office. The purpose of the Fund is to provide the necessary money for grants, loans, and loan guarantees authorized by the bill.

The bill defines an advanced manufacturing business to include:

- (1) Automotive parts and equipment.
- (2) Electronic parts and equipment.
- (3) Aerospace technology.
- (4) Robotics.
- (5) Engineering design technology.
- (6) Biomedical products.
- (7) Pharmaceuticals.
- (8) Information technology products.
- (9) Laboratory equipment and research and development equipment.
- (10) Computers.
- (11) Telecommunications equipment.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of Economic Development; Indiana Economic Development Corporation.

Local Agencies Affected:

Information Sources:

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